



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

March 16, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

ECONOMIC STIMULUS: REPORT ON THE STATUS OF CURRENT ACTIVITIES REGARDING THE AMERICAN RECOVERY AND REINVESTMENT ACT

On February 17, 2009 President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. In anticipation of this legislation, the County has been involved in many activities to begin preparation for programming, allocating, providing ongoing oversight of the use of, and assuring performance based objectives for the stimulus funding. As your Board is aware, ARRA has five major funding categories:

- Capital Projects which are mostly transportation related although funding for fire stations is also provided;
- Information Technology related primarily to health care with some funding potentially available to improve the public's access to computers;
- Environmental and Renewables which is a multi-faceted category that will encompass programs to both benefit the County organization internally as well as permitting the County to provide programs of benefit to County residents;
- Health and Social Services which includes federal assistance for medical services, as well as funding for public health prevention and wellness, employment, community development and related programs; and
- Public Safety including funds to enhance law enforcement and wildfire management.

Many of the funds the County will receive are driven by existing federal funding formulas, while some of the ARRA funds will be based upon competitive grants. The following is a summary of the activities that have been undertaken, or are planned, related to the County's implementation of ARRA:

1. November/December 2008 - In response to a Board motion, the Chief Executive Office (CEO) developed a list of major "shovel-ready" and "green" infrastructure

"To Enrich Lives Through Effective And Caring Service"

***Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only***

projects for the California State Association of Counties for the economic stimulus package; this list was received and filed by the Board on December 16, 2008.

2. January 2009 to present - In response to a Board motion, the CEO convened a committee comprised of Departments of Public Works (DPW), Internal Services (ISD) and County Counsel with input from various other departments to develop strategies to streamline the contracting process. The preliminary list of streamlining ideas was released as a Board memo on March 4, 2009. The CEO, County Counsel, DPW and ISD are currently in the process of briefing Board offices.
3. February 2009 - In response to a Board motion, the CEO and ISD developed a master list of potential "green" projects that potentially could be funded by the economic stimulus package.
4. February 2009 - ISD convened and chaired a committee to develop County policy on the use of economic stimulus money toward implementation of California AB 811, which assists property owners by providing low interest loans for retrofitting their property with energy efficiency improvements that are paid for using tax assessments against the property.
5. February 2009 to present - The CEO and Department of Public Health (DPH) worked with stakeholder organizations to ensure public health priorities were included in the final stimulus agreement. Key public health feature is a \$1.0 billion Prevention and Wellness Fund, which provides: a) \$300 million for immunization; b) \$650 million for evidence-based clinical and community-based prevention and wellness strategies; and c) \$50 million to states for healthcare-associated infection reduction strategies. DPH may see benefit, but amounts cannot currently be determined because allocations are subject to determination by the respective federal agencies. CEO and DPH are working to ensure optimal benefit to the County. DPH is also working to identify specific opportunities with respect to other components in the stimulus package, including health information technology and the justice grants.
6. March 4, 2009 - The CEO presented a first analysis to your Board of the financial impact of the economic stimulus package on the County.
7. March 2009 - In response to a Board motion, the CEO is leading the team to establish an executive oversight committee and the relevant subcommittees to ensure proper oversight of the economic stimulus package funding.
8. March 2009 - In response to a Board motion, the CEO is in the process of analyzing what the long term fiscal impacts of the economic stimulus package funding on the County's budget could be with special focus on impacts upon the conclusion of the 18 months of ARRA funding.

9. March 2009 - The Board of Supervisors and DPW will host a series of contracting opportunities workshops to help businesses learn more about public works projects and contracting opportunities resulting from the upcoming economic stimulus package funding.
10. March 2009 - In response to a Board motion, the CEO began working with the Department of Public Social Services (DPSS), DPW and ISD to recommend actions to ensure use of economic stimulus package funds will result in employment opportunities for at-risk special populations. The goal of the project is to place 10,000 unemployed constituents in subsidized positions from May 2009 through March 2010. This Office envisions two tracks of subsidized employment, one for CalWORKs/GAIN participants and another for those individuals that do not qualify for CalWORKs. Placement will be in the public, non-profit and private sectors and will include the following target populations:
 - DPSS Job Club participants that leave without a job;
 - 700 clients currently on the Department of Human Resources (DHR)/DPSS clerical lists;
 - 11,000 18-24 year olds on General Relief;
 - Older workers/seniors;
 - At-risk youth, including current and former foster youth, transition age youth, those in CalWORKs households, etc.;
 - Recently unemployed/displaced workers;
 - Residents of the gang strategy zones (Florence-Firestone, Monrovia/Duarte, Pacoima and Harbor Gateway);
 - Homeless individuals;
 - Department of Children and Family Services (DCFS) Prevention Initiative Demonstration Project (PIDP) contractors and clients (as employers and for referrals).
11. March 2009 - In response to a Board motion, the CEO convened a workgroup to establish the Los Angeles County Workforce Stimulus Plan. This group consists of representatives from CEO, Community and Senior Services (CSS), DPSS, DCFS, DHR and each Board office. The group is meeting every other week, and an Executive Team consisting of department heads is meeting on alternating weeks to establish an actionable plan. DPSS and CSS are the lead agencies and are currently in the process of:
 - Monitoring the status of State and federal activities as they relate to the stimulus funds;
 - Exploring a mechanism to expedite the stimulus funds (expediting contracts, establishing pre-qualified lists, etc.);

- Devising referral blueprints (from departments to the Workforce Investment Boards (WIB);
 - Garnering the support and participation of the WIBs;
 - Exploring federal and/or State regulations on use of Temporary Assistance to Needy Families (TANF) and Workforce Investment Act (WIA) dollars;
 - Exploring LiveScan requirements and options;
 - Building relationships with private employers (including non-profits) and other municipalities who may become employers of the temporary hires; and
 - Developing strategies for targeted populations.
12. March 2009 - The CEO and the Sheriff's department are exploring various opportunities within the economic stimulus package for funding a shared region-wide voice and data radio system. The Los Angeles Regional Interoperable Communications System (LA-RICS) will improve the emergency and day-to-day communications of the public safety agencies of Los Angeles County.
13. December 2008 to present - The CEO and Department of Mental Health (DMH) are reviewing the stimulus legislation to determine if the proposed County Electronic Medical Records (EMR) system is compliant with the new standards. The intent is to align this project with the new standards as it clearly meets the requirement of digitizing medical records and therefore should qualify for stimulus funding. The CEO and Department of Health Services (DHS) are also discussing potential EMR systems for DHS which may be eligible for funding. In addition to the above, DHS has been actively developing the following stimulus related e-health initiatives and has:
- Explored leveraging the CEO Master Agreement to streamline the identification of a consultant with pharmacy benefit management experience to assist in developing an Request For Proposal (RFP) to replace the existing antiquated pharmacy management system;
 - Collaborated with DCFS to develop and streamline the scope of work related to development of an automated referral system for DCFS to DMH and DHS;
 - Assembled Web Governance Committee to streamline the identification of content and presentation decisions for New County-Standard Websphere Portal;
 - Surveyed and pre-designated priority sites in preparation for a new EMR system and received ISD quotes for increasing data network bandwidth at DMH; and
 - Identified 21 priority sites within DMH for implementation of expanded telepsychiatry services in the County; collaborating with ISD on the cost of this expansion.
14. February 2009 to present - The CEO has been reviewing the stimulus impact on the Federal Medical Assistance Percentage (FMAP) and estimating the potential revenue for health services, mental health, and certain social services funding for the County programs. FMAP is used in determining the amount of federal matching

funds for expenditures in these programs. An increase in FMAP results in offsetting savings in the non-federal matching shares borne by the State and counties for the affected programs.

15. February 2009 to present - ISD is in the process of registering with the Central Contractor Registration (CCR) in accordance with the Treasurer and Tax Collector's (TTC) procedures. Once registered with CCR, at the direction of the executive oversight committee, ISD will apply for Energy Efficiency Block Grant Funding (Block Grants) and competitive grants on behalf of all County departments. The CEO and ISD will centrally coordinate all eligible Block Grant projects and competitive grant projects with ISD submitting all application on behalf of the County. It is anticipated the Block Grants and the competitive grants will be provided through the Department of Energy (DOE) and/or the California Energy Commission (CEC).
16. February 2009 to present - ISD continues to monitor and analyze DOE information related to determining the size of the Block Grants that will be provided directly to counties (population > 200,000) and cities (population > 35,000). ISD is also monitoring the DOE and CEC for information about competitive grant programs.
17. March 2009 to present - ISD and DPW have begun preparation to separately apply for DOE grants for transportation and fleet funding available under the stimulus package. The funding will be made available through the DOE and Environmental Protection Agency (EPA) and is intended to mitigate green house gasses released by large county fleet vehicles.
18. March/April 2009 - The CEO will meet with ISD, DPW, Department of Regional Planning (Planning), Parks & Recreation, and the Department of Beaches and Harbors to discuss Federal Energy Block Grant programs for both County facilities and community participation.
19. March/April 2009 - The Energy & Environmental Policy Team has convened a committee to evaluate stimulus package opportunities through the passage of AB 811 (Levine). AB 811 allows cities and counties to finance eligible energy efficiency and renewables projects on privately owned properties (residential and commercial) through property tax assessments. The committee includes: CEO, CEO Capital Projects, TTC, Auditor, DPW, Planning, County Counsel and ISD. The stimulus package may provide "seed money" and development funds for this program through Block Grants and increased renewable energy bond funding.
20. March/April 2009 - ISD is soliciting renewables project developers to become qualified vendors under their Energy Projects Master Agreement. The Board had previously approved the Master Agreements and the scope of work categories under the Master Agreement. The Master Agreement allows pre-qualified vendors to bid on

project solicitations and ISD to award contracts without Board approval which will streamline the award process.

21. March/April 2009 - The Energy & Environmental Policy Team has convened a Renewables Policy committee to discuss parameters for a Countywide Renewable Energy Policy. The scope of the Policy would include County facilities, County property and private property located within the County. ISD has been meeting with departments to discuss renewables project solicitations that are being presented to staff throughout the County by a variety of vendors.
22. March/April 2009 - The CEO will meet with the CDC and Board deputies to discuss stimulus strategies for the Community Development Block Grant, Neighborhood Stabilization Program and Economic Assistance Programs.
23. March/April 2009 - Homeless Prevention Program - The CEO will develop a concrete plan to successfully maximize the use of these funds by leveraging existing programs in DCFS, DPSS and other departments. The guidelines for the Department of Housing and Urban Development (HUD) will be released on March 19, 2009, at which time we will know the full extent of how to apply for these funds.

This Office will continue to provide periodic updates on the status of County efforts to prepare for, acquire and implement economic stimulus package funding. We anticipate that these updates will become a set item on future Board agendas. If you have any questions or require further information, please Deputy Chief Executive Officer Ellen Sandt at esandt@ceo.lacounty.gov or 213-974-1186.

WTF:SRH:
SAW:ef

cc: All Department Heads